

Significant Issues

Senate Bill 404 is an attempt to create a balance between environmental regulation and economic development with regard to the cotton and seasonal agriculture industry. Two state agencies, Highway and Environment, have stated its concerns on the potential for these facilities to exceed national ambient air quality standards (NAAQS), which could put these regions in violation of the federal Clean Air Act and thus impact public health. The New Mexico Department of Agriculture (NMDA) states that new cotton gins have been unable to obtain permits because New Mexico requirements are more stringent than the federal requirements. As a consequence, cotton gins have built new facilities in New Mexico's surrounding states, according to NMDA.

FISCAL IMPLICATIONS

SB 404 does not carry an appropriation. The Environment Department states that its revenues to the Air Quality Permit Fee fund could be impacted. The department did not provide any projections on potential revenue losses.

ADMINISTRATIVE IMPLICATIONS

The Environment Department states that it will be required by the U.S. Environmental Protection Agency (EPA) to develop federal permits for these facilities. The EPA has primacy in New Mexico for air quality regulation pursuant to the federal Clean Air Act.

MFV/prr